



MINUTES OF THE BOARD OF SUPERVISORS
COUNTY OF LOS ANGELES, STATE OF CALIFORNIA

Violet Varona-Lukens, Executive Officer
Clerk of the Board of Supervisors
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Chief Administrative Officer
County Counsel
Director of Health Services
Auditor-Controller

At its meeting held July 19, 2005, the Board took the following action:

61-A

Supervisor Knabe made the following statement:

“In April, this Board instructed the Department of Health Services to conduct an audit of all physician services contracts at King/Drew Medical Center. We received the report from the Department, which found problems with the management and oversight of physician contracting at the hospital. There were instances of physicians who were given contracts while still employed by the County and managers who were unaware of basic contract requirements and failed to manage the contract workers.

“While this is not surprising, given what we have learned about the management problems at King/Drew, it is of great concern that the public’s resources are being so carelessly managed. Not only did the physicians not understand the terms of the contracts they were responsible for, but they also failed to exhibit basic knowledge about how to manage staff and workflow.

“The Department must ensure that these problems are corrected and reforms put into place to prevent them from occurring again in the future.”

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61-A (Continued)

Therefore, Supervisor Knabe made a motion that the Board take the following actions:

1. Instruct the Director of Health Services, in consultation with the Chief Administrative Officer, to report at the August 30, 2005 Board meeting on the reforms that have been put in place to ensure proper management of all County physician contracts, including basic contract management, as well as clarification of general management oversight responsibilities and clarification of clinical and academic responsibilities for physicians; and
2. Instruct the Auditor-Controller to work with the Director of Health Services to conduct a follow-up audit of physician contracting and management practices at Martin Luther King, Jr./Drew Medical Center; and report back to the Board within 90 days on the progress of implementing the reforms.

Dr. Thomas L. Garthwaite, Director of Health Services, responded to questions posed by the Board.

Supervisor Antonovich made the following statement:

“The Department of Health Services audit report regarding physician services contracts at King/Drew Medical Center references that the physician schedules are not being adjusted to accurately reflect whether physicians are actually at the hospital providing care. The Department inspectors found no evidence or any mechanism to compare the hours on the invoices to the hours actually worked.

“In addition, the audit report references that contracts for the emergency room physicians were established to comply with the Accreditation Council of Graduate Medical Education requirements. Since academic programs are Drew University Medical School’s responsibility, it is imperative that the affiliation agreement that was negotiated between the Department and Drew University last year be changed to reflect the medical school’s responsibility for contracted physician services.”

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61-A (Continued)

Therefore, Supervisor Antonovich made a motion, seconded by Supervisor Knabe, to amend Supervisor Knabe's motion to further instruct the Director of Health Services to:

1. Establish a method to compare the hours on contracted physician invoices to the hours actually worked with appropriate approvals and oversight for physician payments by August 30, 2005; and
2. Work in collaboration with the County Counsel to amend the Drew University medical affiliation agreement to ensure that the contracted physician services for the emergency room responsibilities are clearly outlined in the agreement.

Supervisor Knabe's motion, as amended, seconded by Supervisor Antonovich, was unanimously carried.

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